

Regular Board Meeting
Cambridge Redevelopment Authority

Wednesday, February 12, 5:30pm
Robert Healy Public Safety Center / Cambridge Police Station / Community Room
125 Sixth Street, Cambridge, MA

Draft Meeting Minutes (revised)

Call

Chair Kathleen Born called the 63rd annual meeting of the Cambridge Redevelopment Authority to order at 5:40 p.m. Other Board members present were Vice Chair Margaret Drury, Treasurer Christopher Bator, Assistant Treasurer Conrad Crawford, and Assistant Secretary Barry Zevin. Executive Director Tom Evans and CRA staff members, Alex Levering, Ellen Shore, Erica Schwarz, Carlos Peralta, and new employee Hema Kailasam, Director of Finance, were also in attendance. The meeting was recorded by the CRA.

Public Comment

Stephen Kaiser handed a list of suggestions to the Board for CRA projects relating to Kendall Square. He spoke about each of them - energy shortage, sewerage overflow, transit service, and transportation congestion, and driverless cars.

Heather Hoffman added that the proposal before City Council, which bans natural gas hookups in new buildings, is probably not included in Eversource's electricity usage forecasting. This is especially concerning with the current building boom occurring in Kendall Square. On another subject, she is happy that there will not be a replacement penthouse sign when the current Akamai sign is removed. She likes the colorful ground-level Google sign.

Richard Harriman, Board Chair of the Cambridge Community Foundation, spoke about the CRA strategic planning. Firstly, he thanked the CRA for its efforts and financial support on the 93-99 Bishop Allen Drive project. As the CRA and CCF have overlapping missions and shared values, he feels there are benefits to continue working together. There is an annual celebration in April which will honor those who have had a major impact on the arts and culture in Cambridge and the launching of a cultural capital fund. He welcomed strategizing together and possibly including the Central Square BID and other entities.

Ms. Born confirmed that the CRA strategic planning will incorporate partnerships. Mr. Bator agreed that the CRA is interested in pursuing the conversation.

No other members of the public wished to comment.

Minutes

1. Motion: To accept the minutes of the Regular Meeting of the Board on December 18, 2019

The motion to accept the minutes of the Regular Meeting of the Board on December 18, 2019 and place them on file carried unanimously.

Communications

2. Letter from Nurtury regarding Forward Fund December 10, 2019

3. Letter from Just-A-Start regarding Forward Fund January 9, 2020

4. Letter from VinFen regarding Forward Fund January 10, 2020

Mr. Bator is pleased to see the variety of projects being supported. There were no other comments.

The motion to place the three thank you letters on file carried unanimously.

Reports, Motions, and Discussion Items

5. Election of Officers

Mr. Evans said that according to Section 7 of the current By-laws, which can be found on the CRA website, there are four positions and one optional position (Assistant Secretary) which are basically held for one year. He spoke about the responsibilities of the positions.

Mr. Evans will be discussing the By-Laws, which were approved in 2013, with legal counsel. In relation to strategic planning, it would be less burdensome for the Board if the Treasurer and Assistant Treasurer could sit on an advisory committee to help define proposals that would then be presented to the full Board for approval.

The proposed slate is:

Kathy Born – Chair
Conrad Crawford – Vice Chair
Margaret Drury – Assistant Secretary
Chris Bator – Treasurer
Barry Zevin – Assistant Treasurer

A motion to adopt the slate, as proposed, was made and seconded. A roll call was taken.

Mr. Zevin – Yes

Mr. Crawford – Yes

Ms. Born – Yes

Ms. Drury – Yes

Mr. Bator – Yes

The motion carried unanimously.

6. Presentation: 2019 Annual Report

Ms. Levering said that the Board packet contains a draft version of the annual report which reports on the CRA work in the past year. If approved, it will be professionally printed. The maps on page 7 show the location of the projects. She reviewed the Kendall Square projects that are reviewed on pages 8 -11. Ms. Levering brought extra copies of the Transport Kendall report to tonight's meeting. A video is expected soon. The first funding proposal for the Kendall Square Transit Enhancement Program (KSTEP) is part of tonight's agenda. The Open Space projects are described on page 11. Ames Place Open Space refers to the interstitial spaces in Parcel 3. Citywide activities and projects, included 93-99 Bishop Allen Drive, the workforce development Link Kendall Square, the Foundry, Margaret Fuller Neighborhood House, Forward Fund, and other efforts to strengthen and stabilize the community are described on pages 12 though 19.

Mr. Evans reviewed the finance portion of the annual report found on pages 20 and 21. He noted that the chart on page 20 shows the irregular nature of the income stream. Funds from the sale of development rights were last received in 2017. A portion of that was committed and restricted to the KSTEP and Foundry projects. Some Foundry funds were used in 2019. Mr. Evans expects more of these restricted funds to be used in 2020 as the projects advance. The major source of income, about \$20 million that was expected in October 2019 from the 325 Main Street project, was not received because of a building permit issue. The building permit has still not been received. This is outside of CRA control. Strong investment income in 2019 supported CRA operations. The City Council's delay in appropriating the Foundry money will push the CRA's \$2 million payment to the City to this spring. Mr. Evans expects that Ms. Kailasam will suggest a new format for reporting income delays, restricted fund usage, the Bishop Allen building, and the mortgage liability, as well as the status of CRA positions and

assets. By project, the major expenses were due to the purchase of 93-99 Bishop Allen Drive and capacity building for the Foundry Consortium. Although the CRA has a strong position regarding its unrestricted funds, the strategic planning process will be analyzing how to support daily operations while taking on new projects.

Mr. Evans reviewed the internal operations summary on page 22. Although there is a list of current 2020 priorities on page 23, the CRA still strives to be responsive to issues and ideas that are not on this list but might present themselves during the year. Since the public realm improvements for 325 Main Street are more complicated and involve third parties such as the MBTA, this portion of the project has trailed the review of the rest of the building. Conceptual open space designs in KSURP include a reorganization of Galaxy Park as well as the Ames Place Open Space, and in-between space shared by five property owners.

The Board complimented the staff on its work and expressed its gratitude.

7. Design Review of MXD Signage Proposals

Motion: Approving the retail signage proposal for Core Power Yoga within 145 Broadway – Parcel Two of the Kendall Square Urban Renewal Area

Motion; Approving the building entry signage proposal for Google at 150 Broadway – Parcel Three of the Kendall Square Urban Renewal Area

Physical copies of the materials for both motions were distributed at the meeting.

David Mandeville, of Mandeville Signs, and Dolores Buonasaro of Core Power Yoga, presented the signage application to the Board. Mr. Peralta said that these materials were reviewed at the last design review on January 29. Mr. Mandeville started with the last page that has the site plan of the tenant space. The application includes a wall sign, a blade sign, and window vinyl on both elevations. He reviewed the slides in the presentation. The LED layouts are included and, at full power, the wall sign illumination is equivalent to one 60-watt light bulb per 1.5 linear foot. There will be a timer and dimmer. The same is true for the blade sign.

Ms. Born confirmed that she and Mr. Zevin were both present at the design review meeting. She said that this was the most complete set of signage that the CRA ever received. Mr. Zevin said that the team respected the architecture of the building. He would like others to follow this lead. Regarding the street number, Mr. O’Hearn, from Boston Properties, said that he is waiting for an update from the City regarding Galileo addresses for the building. Mr. Zevin said that the address position might conflict with the vinyl location. Mr. O’Hearn said that the address can go on the door. There was a discussion of retail tenant addresses for the building. Ms. Buonasaro is waiting for a permit and hopes to be start construction in mid-March.

The motion approving the retail signage proposal for Core Power Yoga within 145 Broadway, Parcel Two of the Kendall Square Urban Renewal Area, was moved and carried unanimously.

Sara Farrell, from Perkins and Will, presented Google’s signage proposal for the entry to 8CC. Google is moving into the old Akamai building. They will be removing the 9th floor sign and will rework the panels. The Akamai sign over the doorway will be replaced with a multi-colored Google sign. Ms. Farrell reviewed the specifications. The sign will have a dimmer and timer. Mr. Evans said that a member of the public appreciated the colors and the removal of the penthouse sign. Mr. O’Hearn said that the panels will be replaced depending on the number of holes and previous reworking and the ability to match the color. Whole sections might need to be replaced.

The motion approving the building entry signage proposal for Google at 150 Broadway, Parcel Three of the Kendall Square Urban Renewal Area, was moved and carried unanimously.

8. Update: Foundry Redevelopment Demonstration Project

Motion: Authorizing the Executive Director to enter into a Memorandum of Understanding with the Foundry Consortium for organizational capacity building support including the appropriation of \$200,000 to assist the Foundry Consortium in the hiring of its first Executive Director

Motion: Authorizing the Executive Director to enter into professional services contract with (TBD) for executive recruitment on behalf of the Foundry Consortium for an amount not to exceed (to be finalized, but approximately \$40,000)**

Ms. Schwarz said that there are two motions before the Board. The first motion relates to the MOU between the CRA and the Foundry Consortium (Consortium). There have been changes to the MOU version found in the Board packet. A red-lined version of the MOU, with edits from CRA counsel and the Consortium's pro-bono counsel, and a clean version, with all the red-lines approved, were distributed. The MOU outlines CRA obligations in Section C and Consortium obligations in Section D. The Executive Director is expected to start by September. There is a meeting scheduled with real estate broker Anne Columbia to discuss a leasing strategy for the office portion of the Foundry. Mr. Evans said that an Executive Session could be held to discuss the terms of a 10-year sub-lease between the CRA and the Consortium if necessary. Section E is the timeline, which could change. An update for the construction schedule is expected soon. The selection of an executive director is expected in June with a start date in August or September. The Consortium Board met this past Monday and approved the clean MOU. Anne Columbia will get a fee related to the rental square footage.

The second motion is specific to the Executive Director search firm selection process. Ms. Schwarz worked with the Consortium search firm committee. She spoke about the RFQ process used and said that two firms were clearly the stronger candidates. According to procurement rules, the lower fee candidate is being recommended. Ms. Schwarz spoke in more detail about the candidate's expertise. Although the contract will be with the CRA, the Consortium Board voted its approval to move forward on the CRA Board's approval. In response to Ms. Born, Mr. Evans said that payment will be based on tasks listed on page 5 which will be included in a contract. Ms. Schwarz said that the cost of advertising, and possibly insurance, is not included in the amount listed. Ms. Schwarz said that the Consortium Board is an engaged and thoughtful group with various perspectives. There was a discussion about the Consortium using the existing CRA technical design consultant. Ms. Schwarz said that the \$200,000 can be used for the Executive Director search and staffing needs. Mr. Evans said that this is a bridge before getting to the sublease. He expects that the CRA will maintain control of the leasing process for an initial five years and provide a management fee to the Consortium to manage it. Leasing the office space is crucial to the success of the Foundry. Anne Columbia would be the broker for the market-rate tenancies. Foley Hoag would write the lease. Ms. Kathryn Madden added that the Executive Director would be in charge of running the first floor. The Consortium has hired a program assistant experienced in marketing and graphic design.

A motion authorizing the Executive Director to enter into a Memorandum of Understanding with the Foundry Consortium for organizational capacity building support including the appropriation of \$200,000 to assist the Foundry Consortium in the hiring of its first Executive Director, was made and seconded. A roll call was taken.

Mr. Zevin – Yes

Mr. Crawford – Yes

Ms. Born – Yes

Ms. Drury – Yes

Mr. Bator – Yes

The motion carried unanimously.

A motion authorizing the Executive Director to enter into professional services contract with Ann Silverman Consulting for executive recruitment on behalf of the Foundry Consortium for an amount not to exceed \$40,000 was made and seconded. A roll call was taken.

Mr. Zevin – Yes

Mr. Crawford – Yes

Ms. Born – Yes

Ms. Drury – Yes

Mr. Bator – Yes

The motion carried unanimously.

Ms. Stephanie Couch, Chair of the Foundry Consortium, thanked the Board and has appreciated the efforts of the CRA staff.

9. Initial Funding Proposal for the Kendall Square Transit Enhancement Program (KSTEP)

Motion: Approving the appropriation of \$60,600 from the Kendall Square Transit Enhancement Program fund for the installation of a bus shelter at 500 Main Street

Ms. Levering said that this is the first KSTEP funding proposal. This idea originated from the EIR for the approval of KSURP. The fund was established via an MOU agreement with five implementing partners: the MBTA, MassDOT, the CRA, Boston Properties, and the City of Cambridge to implement transit improvements in Kendall Square. For this proposal, the CRA is the implementing partner. It is being brought before the CRA Board on behalf of the working group. The proposal is for funding for the installation of a bus shelter in front of the Koch building at 500 Main Street by the end of May. The location was chosen due to site feasibility. Her presentation included a timeline, the project's budget, and details about the shelter design and materials.

Mr. Zevin suggested installing the fully-enclosed version of the shelter to mitigate the wind near the site. The cost of the project was discussed. Ms. Born raised the issue of heat in the summer with an enclosed version. Mr. Crawford said that there have been some concerns about the shelter at the Lechmere train station. Mr. Evans will investigate the enclosed version. He added that original design was in the streetscape plan and all parties have already agreed to this version. He emphasized that this is a test for making decisions with the KSTEP implementing partners. Mr. Evans said that the motion is a funding proposal not a design proposal.

The motion approving the appropriation of \$60,600 from the Kendall Square Transit Enhancement Program fund for the installation of a bus shelter at 500 Main Street was seconded and a roll call was taken.

Mr. Zevin – Yes

Mr. Crawford – Yes

Ms. Born – Yes

Ms. Drury – Yes

Mr. Bator – Yes

The motion carried unanimously.

Mr. Evans said that the next step is for the City Manager to sign the proposal.

10. Strategic Plan Update

Kathryn Madden noted that the CRA has come a long way since the last strategic planning process in 2014. A handout was distributed. She highlighted the mission statement and operating principles which still seem valid today. These reflect the values of the Board and the organization. She spoke about the strategic objectives and the criteria for success. She said that staff had discussed the past, present, and possible future work of the CRA at a recent work session. The annual reports are a valuable resource for capturing all that's been done to date.

The Board then participated in a brainstorming session regarding current issues and challenges happening in the city generally. From this starting point, the Board then also discussed CRA strengths and limitations, as well as opportunities that the CRA might pursue.

General issues happening in the city today included:

- Circulation and transportation: KSTEP, bike lanes, Grand Junction connection to Allston, bus service; infrastructure issues in Alewife
- Wealth inequity and loss of diversity: need for affordable housing; non-profit organizations are being priced out of office space and cultural spaces
- Open space and urban resiliency: urban forests, sustainability, climate change, reclamation of brownfields such as Jerry's Pit, planning for significant open space
- Community economic development: making Alewife a livable community, housing rehabilitation for greater resiliency; job training/ workforce development high school and community college graduates; need for greater corporate investment in education; small retail affordability; general land use and planning debates

CRA strengths:

- Regional transportation leadership
- Public interest, real estate development
- Implementation: problem solving, nimbleness, visibility, financial resources, leverage
- Continuity; independence from political cycles
- Partnerships

Potential areas of CRA focus, among other:

- Supplement affordable housing projects with funding for open space, and other ancillary needs
- Deliver or help achieve open space, especially brownfields
- Support housing rehabilitation for resiliency
- Land acquisition in partnership with other non-profit entities
- Central Square community development projects

Goals for future:

- Manage resources
- Internal growth as necessary
- Satisfied staff
- Wise investment strategies (e.g. petitioning the state to allow ESG (environmental, social, and governance) investing)

Ms. Born said that stronger finances allow the CRA to respond. Mr. Bator said that the CRA can now do significant things while still preserving its ability to do significant things in the future. As projects increase in number and complexity, staff may need to grow; retention of institutional staff knowledge is crucial. The City Manager and City Council approvals are required for many projects. Demonstration Plans are a means for the CRA to do planning.

There was a discussion of community outreach and managing expectations. Feedback should be based on who the CRA is, what a redevelopment authority can do, and the mission of the CRA. Staff will come back to the Board with some suggestions.

11. Monthly Report on Projects and Finances

Mr. Evans touched on topics outlined in the Staff Report found in the Board packet. Regarding the Third and Binney site, Mr. Peralta is looking for pop-ups in addition to the food trucks. Financial feasibility conversations are occurring with the Board of the Margaret Fuller Neighborhood House Board. Mr. Evans said that he would set up a tour for the Board to tour the inside of the Foundry.

With respect to the budget vs. actuals, the packet shows a consolidated budget format. There are two income sources. The operating expenses are broken into personnel, office and property management. There is more detail on professional services since that provides more information on what is being done programmatically. The redevelopment investments section (in purple) will likely be changing in format.

In response to Mr. Bator, Mr. Evans said that he expects the check for the 325 Main Street building within the next two weeks. Coming before the Design Review Committee in March will be a slight façade modification for 75 Ames Street which is the review of the M1 Broad Institute development. They need to buy development rights for 14,000 square feet in that building, of about \$1 million, which is expected sometime in May.

The March Board meeting is being moved to March 11, not March 18.

At 9:11 p.m., the motion to adjourn the meeting carried unanimously.